

RI Child Care is Essential Act

At Least \$42 Million Needed to Help Working Families

H-5672 (Diaz) & S-378 (Cano)



Right from the Start

Why Child Care? Families need access to affordable, high-quality child care so parents can work and their children can grow, learn, and thrive.

What is the Child Care Assistance Program? The Rhode Island Child Care Assistance Program (CCAP) is managed by the Rhode Island Department of Human Services (DHS). Eligible low-income families are approved for a certificate they can use to enroll their child (birth – age 12) at a child care program that accepts the certificate.

How do child care providers get paid? DHS pays child care programs after care is delivered. Most families are assessed a copayment amount they pay to the provider, reducing the amount DHS pays the provider. Reimbursement rates are set in statute and are well below the federal equal access standard for almost all quality levels. In June 2020 due to the COVID-19 pandemic, the Governor implemented rate increases through Executive Order.

How is the Child Care Assistance Program funded? In FY 21, CCAP was funded with \$9 million in state general revenue dollars and \$57.6 million in federal funds. **State funding for child care is down \$47.2 million from 2005.** Governor McKee has proposed to increase CCAP funding by \$6 million. The American Rescue Plan provides \$1 million mandatory and \$36 million discretionary Child Care Development Block Grant funding for the state's child care subsidy program and another \$57 million in stabilization funding for child care.

The Rhode Island Child Care is Essential Act:

- 1. Permanently Increases CCAP Rates.** Meet or exceed the federal equal access standard for all age groups and settings (75th percentile of the 2018 Market Rate Survey) with 5 quality tiers connected to the program's BrightStars quality rating to promote access to quality care. Rates for 5-star programs will meet or exceed the 90th percentile of the 2018 Market Rate Survey.
- 2. Provides Weekly Infant Care Bonuses.** Pay a \$20 weekly bonus payment to providers for each infant under 18 months in care on top of the rate to help with increased staffing needs and individualized care.
- 3. Caps Family Copayments at 7% of Family Income.** The federal affordability standard is 7% of family income. Some families using CCAP subsidy are charged copayments of 10% or 14% of family income.
- 4. Allows More Low-Income Working Families to Qualify for a CCAP Certificate.** In 2007, all working families with incomes over 180% FPL (\$39,528*) were cut from the program. It is important to restore eligibility to families with incomes at or below 225% FPL (\$49,410*) and allow families to retain their subsidy up to 300% FPL (\$65,880*). *family of 3 in 2021

Type of Care/Age Group	Rates in Statute	Current Rates as of June 2020	RI Child Care is Essential Act SUBA Proposed Rates	Governor Proposed Rates for FY22
Center: Infants & Toddlers				
1 star	\$198.48	\$257.54	\$256.75* (75th)	\$222.38 (25 th)
2 star	\$203.32	\$257.54	\$267.26*	\$227.65
3 star	\$218.81	\$257.54	\$277.79*	\$239.96
4 star	\$232.37	\$257.54	\$288.32*	\$248.75
5 star	\$257.54	\$273.00	\$298.85* (90th)	\$257.74 (+75 th)
Center: Preschoolers				
1 star	\$165.75	\$195.67	\$230.00 (75th)	\$187.50 (25 th)
2 star	\$169.80	\$195.67	\$235.14	\$193.88
3 star	\$177.88	\$195.67	\$240.30	\$208.75
4 star	\$182.73	\$195.67	\$245.46	\$219.38
5 star	\$195.67	\$260.00	\$250.62 (90th)	\$230.00 (75 th)
Center: School-Age Kids				
1 star	\$146.26	\$200.00	\$198.75 (75th)	\$148.50 (25 th)
2 star	\$146.26	\$200.00	\$202.43	\$148.50
3 star	\$146.26	\$200.00	\$206.12	\$148.50
4 star	\$146.26	\$200.00	\$209.81	\$148.50
5 star	\$146.26	\$245.00	\$213.50 (90th)	\$148.50 (25 th)
FCC: Infants & Toddlers				
1 star	\$188.59	\$224.43	\$200.00* (75th)	N/A
2 star	\$190.47	\$224.43	\$208.11*	N/A
3 star	\$201.79	\$224.43	\$216.24*	N/A
4 star	\$207.45	\$224.43	\$224.37*	N/A
5 star	\$224.43	\$224.43	\$232.50* (90th)	N/A
FCC: Preschoolers				
1 star	\$171.45	\$171.45	\$191.50 (75th)	N/A
2 star	\$171.45	\$171.45	\$199.25	N/A
3 star	\$171.45	\$171.45	\$207.00	N/A
4 star	\$171.45	\$171.45	\$214.75	N/A
5 star	\$171.45	\$171.45	\$222.50 (90th)	N/A
FCC: School-Age Kids				
1 star	\$162.30	\$162.30	\$180.00 (75th)	N/A
2 star	\$162.30	\$162.30	\$185.00	N/A
3 star	\$162.30	\$162.30	\$190.00	N/A
4 star	\$162.30	\$162.30	\$195.00	N/A
5 star	\$162.30	\$162.30	\$200.00 (90th)	N/A

* RI Child Care is Essential Act would also require a \$20/week payment on top of this rate for all infants under 18 months.